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**Comparison of Media Selection in the U.S. and Indian
Advertising Industries**

By Yashashree A. Potdar

A thesis submitted in partial fulfillment of the requirements
for the degree of Master of Science
in the School of Media Sciences,
in the College of Imaging Arts and Sciences
of the Rochester Institute of Technology

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Certificate of Approval

Comparison of Media Selection in the U.S. and Indian
Advertising Industries

This is to certify that the Master's Thesis of
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has been approved by the Thesis Committee as satisfactory for the
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Abstract

Advertising is necessary to establish a brand and to increase the sale of the products. Media planning is an important phase of any advertising campaign.

The purpose of this study was to determine the media types used in the advertising industries in India and in the U.S. Media professionals from five Indian advertising agencies and five U.S advertising agencies were interviewed to find out the media selection in both countries. The identification of media was then followed by the comparison of media selection in India and the U.S.

The secondary research was carried out to find out media environment in both countries, which included information about the number of newspaper titles published, TV channels, and radio stations in both countries.

The media selection depends upon different factors such as cost, geography and demographics. The secondary research was carried out to find out the differences in geography, demographics and culture between India and the U.S.

The TV medium is the most important medium for advertising in both countries. Radio advertising is used in both countries but has become stagnant in India. The Internet is in its initial growing stage in India; however, in the U.S., the Internet has become the second most

important medium. The major difference was found in the state of print media in India and in the U.S. In U.S., the use of print media is declining, but, in India, it is widely used for advertising. Other media types such as mobile, out-of-home, and social media are used in both countries, but the degree of the usage is different.

The secondary research showed that the media environment in both countries is different. The number of newspaper titles is more in India than in the U.S. The number of TV stations is more in the U.S. than in India.

The geographical area of the U.S is more than that of India, but the population in India is more than the population of the U.S. There are different ethnic groups in both countries. The literacy rate in the U.S. is more than India. There are differences in the cultures and etiquette. These factors affect the media selection and, thus, there are differences in media selection between both countries.

Chapter 1

Introduction and Background

Background

According to Richards and Curran (2002), “Advertising is a paid, mediated form of communication from an identifiable source designed to persuade the receiver to take some action, now or in the future” (p. 74).

Advertising is the public promotion of any product, service, or idea in order to attract or increase interest in it. According to Fletcher (2012), advertising is a type of marketing communication (p. 1). Fletcher (2012) explained that there can be different aims of advertising such as launching a brand, launching a new product, launching a new product into an existing brand, promoting an improvement to an existing brand, making people aware of a brand, persuading ex-users of a particular brand to try it again, and persuading current users to use it more often (pp. 5, 6). Thus, advertising helps improve the brand establishment and sale of the brand.

Fletcher (2012) further stated that defining a strategy for a particular advertising campaign depends upon the information such as brand competitors, information about competitors’ advertising and marketing campaigns, relevant market research about the target audience, the message the campaign must communicate and the tone in which it should be communicated, the type of media that should be used

for the campaign, the budget for both the preparation of the advertisement and the duration of the media campaign (pp. 6-7) Fletcher (2010) identified the three most important facts about the advertising campaign as the brand itself, the potential purchaser (target market), and the media used to advertise. The media are merely the channels through which information is disseminated. In the last 100 years, media have expanded both in number and variety. Due to technological changes, wide variety of totally new media has arrived, and traditional media have divided and sub-divided to reach the target audiences. With the addition of the Internet media, the entire advertising industry is facing a change in terms of the media selection. Print (newspapers and magazines), television (TV), and radio are the most important traditional media for advertising, but new media such as the Internet, social media, and mobile media are becoming more prevalent. Thus, a thorough knowledge of both traditional and new media is a critical requirement for today's advertising industry.

As mentioned previously, the target audience is one of the three most important factors for any advertising campaign. Audiences can be from different age groups, different cultures, and different countries. The advertising strategy and advertising medium depend upon the target audience. Also, the use of media changes with the change in culture, language, and geography; usually the same strategy for advertising

cannot be followed in different countries. Thus, researching media and target audiences in different countries is a necessity for advertisers of international brands.

Reason for Interest in Study

Advertising is the best way to endorse a product or business and helps to increase sales. The advertising industry plays an important role in the economy of any country. The Indian advertising industry is one of India's emerging industries. India's advertisers are raising their budgets significantly, which is contributing to the country's economic growth, according to Warc's International Ad Forecast (2011). Advertising in the United States (U.S.) started back in the 1600s and 1700s, and the advertising industry in the U.S. has grown every year in terms of its revenue. Thus, it is interesting to study advertising industries in both countries.

India is a developing country with a flourishing economy. According to an article in *The Times of India*, "The Indian economy will register the second fastest growth between now and 2050 and emerge as the second biggest economy in the world by the middle of this century, according to a forecast by the consultancy group, PriceWaterhouseCoopers" (PWC) (Ray, 2011). According to Hawksworth (PWC's Chief Economist, 2011), "India has the potential to

be one of the three great economies of the 21st century, together with China and the U.S.” (Ray 2011).

Warc’s International Ad Forecast covers the data and research for about 12 important advertising markets. According to Warc’s International Ad Forecast (2011), advertising spending in 2011 and 2012 will help India become the fastest-growing country. The Indian advertising industry is rising in the global market and has managed to make a mark for itself globally. In India many top advertising agencies are trying to enter into international projects.

The U.S. has been considered the world’s largest economy since 1870. According to the Interactive Advertising Bureau’s report, interactive advertising is responsible for \$300 billion of economic activity. Thus, both the Indian and the U.S. advertising industries are growing.

According to Memani, CEO and Country Managing Partner at Ernst & Young, “The U.S President, Barack Obama, recently announced that Indo-U.S. relations will be amongst the most defining partnerships for the U.S. in the 21st century, a sentiment which resonates with Prime Minister Dr. Manmohan Singh’s desire to strengthen the multifaceted relations between both the countries” (FICCI and Ernst & Young, 2008-2011).

According to the news, Walmart outlets are opening in India. After reading this news, the researcher felt that if Walmart wants to advertise

in India, it will have to use different strategies than those used in the U.S. Walmart needs knowledge about media in the Indian advertising industry. Thus, as globalization takes place, the researcher thought that, if any of the U.S. advertising agencies would want to invest in the Indian advertising industry, it would be helpful to have a comparison of the two media industries in the two countries.

While studying at the Rochester Institute of Technology, the researcher identified that the Internet is an upcoming medium in the U.S., while back in India the Internet is in its initial growing stage. This fact made her think that, due to the differences in cultures, geography, and technology, there are likely to be differences in the selection of media in the two countries.

The researcher always was fascinated by product advertising and branding. The researcher finds the advertising industry to be one of the colorful and glamorous industries and is interested in building her career in the advertising field. The researcher wants to work for the multinational advertising agencies operating in both India and the U.S. Thus, the researcher finds it important to study the current situation of the advertising industries in the U.S. and in India.

Hence, the researcher tried to determine the current state of the advertising industries in both countries by interviewing advertising officials in five Indian and five U.S. advertising agencies. The researcher

obtained a deeper knowledge of advertising industries in both countries in terms of media selection, and from that information she then developed a comparison of the two countries.

Chapter 2

Literature Review

Literature about the concepts of advertising, the media types used for advertising, and the importance of media planning was reviewed. Advertising industries in the U.S. and India were examined in terms of history, media types used, and the future of advertising in each country.

Advertising and Media Planning

As stated earlier by Richards and Curran (2002), advertising is a form of communication intended to persuade. Advertising is a promotion of a product or service, to attract attention and helps to build a brand through communication. It allows people to become familiar with new products and helps people make decisions by highlighting the characteristics of a product or service. Thus, advertising helps to fulfill the main objective of the company, which is to influence the decision of the consumer and increase the sale of the product (ADVERTISING, 2005).

Fletcher (2012) states that the three most important facts about the advertising campaigns are: the brand itself, the potential purchaser (target market), and the media to be used to advertise which should ideally reach most of the target market (pp. 6-7).

According to Li (2007), the creation and dissemination of messages are of prime importance for an effective advertisement. Messages are disseminated with the help of media and are best conveyed when they are distributed over multiple channels. These channels are the same media used in advertising. According to Kelley, Jugenheimer, and Sheehan (2011), “the media are the conduits through which the advertising is communicated to the members of the audience” (p. 3). Due to technological changes and the need for survival in the market, cross-media advertising has emerged and encompasses print (newspaper and magazines), TV, radio, and the Internet. Li (2007) stated also the importance of selecting a particular medium for a particular advertisement. Selecting appropriate media involves media planning, which is a necessary step in effective advertising. Li (2007) also explained that media planning helps target the desired audiences. Kelley, Jugenheimer, and Sheehan (2011) explained that media planning is important because most of the advertising budget is allocated for that purpose. Media are expensive in terms of the space and time. For a typical advertising campaign, almost 80%-85% of the budget is reserved for the media, and the remaining is used for research, production, and the profit of the advertising agency (p. 4). Thus, according to Kelley, Jugenheimer, and Sheehan (2011), media planning is of the utmost importance, as poor media planning can ruin

the entire advertising campaign. Efficient media planning can help provide budget flexibility and save money that can be used instead to achieve other advertising goals (pp. 10-11).

Fletcher (2012) mentioned that for effective media planning, defining the target audience and target market is critically important in an advertising campaign. Kelley, Jugenheimer, and Sheehan (2011) stated that media planners use different resources such as MediaMark Research Inc. (MRI)¹ and Simmons Market Research Bureau² for data and information about more than 500 categories, 6000 brands, and magazine readership. An important method used to define a target market is by its consumption rate. Other factors for deciding a target market are lifestyle, life stages, age groups, and generation (p. 33-38).

Along with the target audience, geography plays an important role in media planning. Media buying can be done locally, regionally, or nationally, but the media indicate some differences in different geographical areas. Media planning depends also upon seasons and time of the year. Seasons and timings affect the cost and effectiveness of the media. According to Ciochetto (2004), the main purpose of advertising is to sell a product. The effectiveness of advertising depends upon the culture and economy in which a product will be sold. In different countries, the cultures and economies are different. Thus the effectiveness of different media can be different. According to Ciochetto

(2004), the major factors that affect advertising are the economy, demography, culture, and the political and legal system.

Given these factors, a study of the media selection between the two different countries can be interesting and helpful to advertisers.

Different Types of Media

The different types of media used in the advertising industry are print media, electronic media, and new age media. Print media include newspapers, magazines, newsletters, leaflets, brochures, pamphlets, books, outdoor billboards, posters, and direct mail. Electronic media include TV, radio, CDs, and DVDs. New age media include the Internet, social networking sites, and mobile phones.

Print medium is one of the oldest forms of advertising methods. Print media can reach large audiences. According to Swain and Sorce (2008), it is an appealing medium because of its extensive market coverage, geographic flexibility, and the positive attitude that consumers generally have toward it.

According to Manohar (n.d.), the two most common forms of print media are newspapers and magazines. According to Lad (n.d.), newspaper advertisements contain details such as prices and telephone numbers. Newspapers offer different ad sizes for advertisements. According to Kelley, Jugenheimer, and Sheehan (2011), display advertising and classified advertising are the two types of the newspaper

advertising (p. 135). Some disadvantages of this medium are its short lifespan and its poor reproduction quality, with the exception of pre-printed material such as inserts. According to Lad (n.d.), magazines allow advertisers to reach a specific audience. Magazine advertisements are creative because they use different colors and graphics. Also, the print quality is good. Outdoor advertisements can be large in size and much more effective because of the colors and graphics used while the magazine advertisements can be easily ignored (Kelley, Jugenheimer, & Sheehan, 2011).

According to Manohar (n.d.), electronic media and new media are replacing print media. The print medium has lost its dominant position; however, it is still effective for specific types of advertisements. Kelley, Jugenheimer, and Sheehan (2011) explained that newspaper revenue is collected from the Internet websites of newspapers (p. 135).

Broadcast media include radio and TV. TV and radio are not always transmitted by broadcast, but the term broadcast is a traditional term, which is still used to refer to these media. It has become impossible to imagine life without TV and radio. TV has been called the king of advertising media. According to Kelley, Jugenheimer, and Sheehan (2011), TV is the largest medium in terms of dollar expenditure. Though the advertising share of TV has declined since the entry of new media, it remains the number one medium in advertising

sales (p. 127). The TV media industry structure contains a network of chains of different TV stations. However, it is not a requirement for TV stations to join a network, and stations can be independent. Cable networks may distribute a single channel via satellite or cable. Advertising is sold by stations, networks, cable operators, and satellite companies together (Kelley, Jugenheimer, & Sheehan, 2011). According to Richardson (n.d.), it combines graphics, sound, color, and motion thus making it the most effective medium. Reaching an audience through TV advertising is easy; however, this form of advertising is costly. Kelley, Jugenheimer, and Sheehan (2011) explained that the different types of TV commercials can be participating program announcements (called participations), commercials between the programs (called spot advertising), or sponsorships for the programs (pp. 127-131).

Radio has become an integral part of the current culture and offers entertainment that attracts listeners while they are working, traveling, or relaxing. According to Kelley, Jugenheimer, and Sheehan (2011), radio stations sell 30-40 blocks (packages) of commercials each week (p. 133). Radio advertising is inexpensive compared to TV advertising and can support printed advertising by mentioning printed advertisements. Thus there is a double benefit. Radio advertising, according to Kelley, Jugenheimer, and Sheehan (2011), is flexible, economical, and timely. They also mentioned that radio advertising can

make excellent use of slogans, music, and sound effects (p. 134).

However, radio advertisements cannot be reviewed; if a whole message was not caught, it cannot be heard again. Kelley, Jugenheimer, and Sheehan (2011) noted that radio advertisements are perishable and can be easily ignored.

According to Manohar (n.d.), new age media is the emerging media. Most people have an Internet connection. According to Zeff and Aronson (1999), online advertising uses the World Wide Web and the Internet. Internet media are growing rapidly with Internet advertisements including banner ads, pop-up ads, and text ads. Internet advertisements are cheap compared to TV advertising and are the best choice for reaching the young generation, because of their heavy use of the Internet. Zeff and Aronson (1999) explained that with Internet advertising a limited market can be covered. Search engine marketing helps promote a website by appearing in the search result. Use of social networking media, such as Facebook and Twitter, is increasing. Social network advertising is a form of online advertising and, according to Webb and Romano (2010), is a new way of reaching consumers. However, it is not a well-established medium. Mobile advertising is the emerging form of advertising; it includes Short Message Service (SMS) and Multimedia Message Service (MMS) advertising. It offers two-way communications, which is an important factor in advertising.

Out-of-home media³ are used for advertising along roadsides, in shopping malls and in airports; in short, outside the home. It consists of banner advertising, transit advertising (vehicle wraps, aerial advertising⁴), digital banners, street furniture, and signs on gas pumps (Kelley, Jugenheimer, & Sheehan, 2011).

Overview of the Indian Advertising Industry

The Indian Economy

Advertising is an essential element of the economy. Changes in the economy affect the revenues of advertising. In order to study the advertising industry of any country, knowledge of the economy of the country in terms of Gross Domestic Product (GDP), growth, foreign investments, and globalization is critical.

According to Ciochetto (2004), India was an underdeveloped country after gaining its independence in 1947. However, due to many political and other changes, the Indian economy continued to grow. Now India is a developing country, and its economy is flourishing; according to Kohli (2007), the Indian economy is one of the fastest growing economies worldwide. Considering the slow economic growth during the first half of the 20th century, recent growth is noticeable.

Kohli (2007) further explained that due to the rate of investment and productivity, India's gross domestic product (GDP) increased from 3.7% in the years 1950-1964 to 5.7 % in 2004. One of the reasons for

the growth of the Indian economy is the outsourcing of work from developed countries.

Economic growth for Western countries was not impressive in the last decade. However, countries like India and China have shown considerable economic growth. According to Raghu (2010), after a financial crisis in 2007, the growth rate of the Indian economy decreased but recovered during the second quarter of 2009-2010.

Finance Minister Pranab Mukherjee predicted that India's economy would grow at an 8.5% rate in 2010-2011. Mukherjee stated also that the Indian economy is on a high path of growth trajectory. Mukherjee projected a double-digit growth in the Indian GDP, and this significant growth is expected to continue.

The Indian Advertising Industry

According to Ciochetto (2004), the first newspaper in India was published in the 19th century and included an advertisement. India has a long tradition of advertising. The oldest advertising agency in India is B. Dattaram, which was established in 1905 (Jethwaney & Jain, 2006).

Ciochetto (2004) further explained that in the 1990s advertising grew immensely. Competition among different companies increased, and big companies had to advertise their products in order to compete efficiently. Thus, advertising became a necessity. According to Jethwaney and Jain (2006), the new media era started in the 1990s.

Many advertising agencies began using the Internet as a medium for advertising, and satellite TV was launched. As a result, during 1990-2000 the use of new media began and then increased in the Indian advertising industry (pp. 64-65). According to Ciochetto (2004), expenditures on advertising continued to increase, and in 1999 the number of advertising agencies in India reached 400.

Ciochetto (2004) also stated that the Indian advertising industry is no longer small scale but is in full bloom. It has become one of the major industries in India with a global presence. Expenditures on advertising have increased in Asia, especially in India. The creative staff has shown some astounding progress and concepts in the field of advertising. According to Jethwaney and Jain (2006), "The Indian advertising industry has evolved in terms of creative maturity, market sustainability, and in its ability to assimilate the changes that a global marketplace has brought about" (p. 67). Consequently, by looking at the current speed at which the industry is growing, it is expected that the Indian advertising industry will continue to witness a significant growth. According to Ciochetto (2004), during the 1970s when foreign companies lacked inspiration to enter the Indian market, foreign investment in the Indian market was at a minimum. However, due to developments and changes in policies, foreign investment in the Indian advertising sector increased, and the number of alliances with multinational agencies went up during

the 1980s. After 1992 foreign advertising agencies began investing in Indian advertising agencies. Chiochetto (2004) also explained that, due to expanding globalization, Indian advertising agencies are working on both national and international projects. According to Jethwaney and Jain (2006), the multinational and national advertising agencies in India have existed for more than a century and continue to flourish (p. 67).

“According to Census 2001, over 70% of the Indian population resides in the rural areas” (Jethwaney& Jain, 2006); thus, rural marketing and advertising⁵ are interesting and important aspects of the Indian advertising industry. Jethwaney and Jain (2006) mentioned that along with rural advertising, celebrity advertising⁶ also is increasing in India. Also, because India has regional languages and many different cultures, advertising research about these cultures, languages, and rural target markets is very important from an advertising point of view.

According to Sinha (2010), the different media used in the Indian advertising industry are print media (including newspapers and magazines), TV, radio, outdoor media, and the Internet. Print media have a good future since readership is on the rise in India. TV media have become a priority for advertisers. Sinha (2010) also explained that traditional media such as radio, as well as new digital media, are growing. Out-of-Home (OOH) advertising is widely used. However,

Internet media in India are just emerging and are not as popular as in Western countries.

The dominating media types in the Indian industry are TV, radio, telephone, newspapers, and other digital media. According to Kumar (2008), the media and entertainment industry in India is worth \$1billion. Mobile and TV media are growing rapidly. The newspaper and the magazine industries also are developing (mostly in rural areas). Most of the Indian population has no access to the Internet. Kumar also explained how the degree of poverty in India affects the use of mass media. Since India is a developing country, media such as the Internet is not well developed, and there is less penetration into the Indian market.

Since there are many factors to consider while selecting media for the Indian advertising industry, it is necessary to study media types used.

Indian Advertising Agencies

According to Ciochetto (2004), the first advertising agency was established in India in 1905; it was B. Dattaram and Company. After that many advertising agencies (such as The India-Advertising Company, the Calcutta Advertising Agency, J. Walter Thompson Associates, Hindustan Thompson Associates, Lintas, and McCann) were established by 1956. The number of registered advertising agencies increased from 106 in

1969 to 168 in 1979. According to Jethwaney and Jain (2006), as of 2004-05 there are 775 advertising agencies in India (p. 124).

As of today, Oglivy and Mather, J. Walter Thompson (JWT), Mudra Communications, FCB Ulka Advertising Ltd., Rediffusion DY & R, McCann Erickson India Ltd., RK Swamy BBDO Advertising Ltd., Grey Worldwide (I) Pvt. Ltd., Leo Burnett India Pvt. Ltd., and Contract Advertising India Ltd. are some of the well-known advertising agencies in India and the industry in general.

As evidenced above, since 1905 many advertising agencies have established themselves in the Indian advertising industry. As a result, the authors mentioned above agree that the Indian advertising industry has a good history and is flourishing. The media types that are most used in this industry are print media, TV, radio, and outdoor advertising. According to the authors, the Internet is still in its infancy and is not yet a well-established medium.

Overview of the U.S. Advertising Industry

The U.S. Economy

Since 1870 the U.S. has been known for having the world's largest economy. According to the U.S. Bureau of Labor Statistics, the estimated GDP of the U.S. in 2010 was approximately \$14.7 trillion. This GDP is nearly one-quarter of the global GDP. According to Mintz (2007), the U.S. GDP has always shown stable growth. The U.S. is the largest

trading nation in the world. Foreign investments in the country are much larger than in any other country. Also, the U.S. is known as the largest investor in the world.

According to Reich (2010), in 2011 corporate profits will continue to rise, but the joblessness will be high. The economy might face a recession. Although the U.S. is the world's largest economy, it is currently facing some significant problems, and Reich's (2010) forecast for the U.S. in 2011 certainly was accurate.

The U.S. Advertising Industry

According to O'Barr (n.d.), colonial Americans used to exchange raw materials for English goods. American colonists used to purchase a few precious goods from stores. There were different methods to promote any product or service before America was colonized. Putting notices on boards outside of the houses and giving free samples of wines were a few of the ways. According to Pope (n.d.), in the 18th century, American colonists used imported British consumer goods. The advertisement for these goods took the form of announcements.

.According to the article *Advertising* in "American Economy: A Historical Encyclopedia" (2011), the "printed handbill" was one of the earliest forms of advertising. Some of the first newspapers, such as Benjamin Franklin's *Philadelphia Gazette* and John Peter Zenger's *New York Weekly Journal*, had advertising within their pages. The first newspaper

in the U.S. was published in 1704. There were only a few advertisements in this newspaper and those ads had a few illustrations and headlines. O'Barr (n.d.) mentioned also that the advertisements had a few details about the products.

Pope (n.d.) explained that the advertisements were not only for the goods but were also notices for slave sales. Also, in the 19th century advertisements did not show significant improvement. The advertisement size in newspapers remained small, and the styles of advertisements were restricted. According to the "American Economy: A Historical Encyclopedia" (2011), paper and printing costs were very high in the early 1800s. During 1840 to 1850, production costs and paper costs decreased due to technological changes. As a result, advertisers and newspapers could change the aesthetics of their advertisements and experiment with the designs.

Pope (n.d.) mentioned that at the end of the 19th century production of branded goods (such as soaps, canned food, and cigarettes) increased. To increase the sale of these products by attracting buyers was the aim of the producers of these goods. Therefore, large department stores in many cities introduced new advertising styles, and national advertising was introduced. According to Pope (n.d.), the total advertising volume in 1880 was \$200 million. It increased to approximately \$3 billion in 1920. In addition to promoting

consumer goods, advertising was used for promoting automobiles and household appliances. Magazines, radio, and motion pictures served as the media for these advertisements. According to the First Research about the Advertising and Marketing Services (2011), different product categories such as consumer products, entertainment, technology, telecommunication, and financial services needed advertising and marketing services for their survival in the competitive market.

Pope (n.d.) explained that U.S. advertising has grown significantly since 1920. The current advertising expenditures are much greater than those in 1920. Today newspapers, magazines, radio, TV, and the Internet are the media used for advertisements. However, advertising in newspapers has decreased in the U.S. The total advertising revenue for newspapers is decreasing, but the advertising revenue for other media (such as TV and the Internet) is increasing.

According to the Advertising and Marketing Services (2011), revenue generated by the global advertising and marketing industry is \$390 billion. According to the Zenith Optimedia, total global ad spending is expected to rise by six percent in 2012. The U.S., Japan, China, and the UK are the largest ad markets (Advertising and Marketing Services, 2011).

According to research by Swain and Sorce (2008), "There were many changes in the advertising media mix of leading national

advertisers from 2003 and 2005. Newspaper, magazine, TV, outdoor, radio, Internet, and Yellow Pages are different channels used for advertising.” Amongst all these channels, the only two that showed significant growth were radio and the Internet, and Yellow Pages (print) advertising was the only channel with a significant decrease. Because of the continuous growth in new media for advertising, national advertisers need to change their budgets. Swain and Sorce (2008) found also that the Internet played a very significant role in this advertising transition. Many companies are now focusing on this new media for advertising, but still some companies are focusing their budget toward traditional media such as TV.

The U.S. Advertising Agencies

N.W. Ayer & Sons was the first advertising agency in the U.S. Omnicom, Interpublic Groups of Cos., WPP Group, Havas Advertising, Dentsu, Young and Rubicam Inc., Grey Advertising, and Publicis SA are the top advertising agencies operating in the U.S. According to the Advertising and Marketing Services (2012), the U.S. advertising and marketing industry consists of 37,000 companies. These companies have total revenue of approximately \$88 billion. It is mentioned in the Advertising and Marketing Services (2012) that one-third of the total revenue is generated by the first 50 agencies.

U.S. advertising history started before America was colonized. Previously, advertisements had just a few illustrations and some details about the product. Advertising continued to improve from the end of the 19th century, because of an increase in the production of goods. Currently, the media used in the advertising industry are print media, TV, radio, and the Internet, but from the data it can be observed that newspaper advertising is declining in the U.S. The Internet is a medium in the U.S. that has shown significant growth.

Summary

Advertising helps to increase the sale of a product. In the world of competition, advertising over multiple channels has become a necessity for businesses to thrive.

The Indian economy is one of the growing economies. The advertising industry in India is emerging, whereas in the U.S. it is a well-established industry.

Many types of media (such as print media and electronic media) are available for advertisements. Advertising is an investment in the future of business, thus media selection should be done carefully. Different media have their respective advantages and disadvantages, and the effect of different media can be positive or negative. Therefore, when selecting media for advertising, it is important to explore different

media and a variety of considerations. Due to different cultural and economic factors, media selection in different countries can vary widely.

This research is helpful in determining the different media used in the Indian advertising industry and in the U.S. advertising industry. The different factors to be considered while selecting the media are identified. The selection of media in the Indian advertising industry and the U.S. advertising industry is compared.

Notes

¹ MRI is the leading producer of media and consumer research in the U.S. It gives information about the world's most dynamic consumer market.

Website: <http://www.gfkmri.com/AboutUs.aspx>

² Simmons Market Research Bureau provides syndicated research information about consumer and media market research, transactions-based databases, and statistical modeling of consumer and media behavior.

³ Out-of-home media are used to reach customers when they are outside the home and not watching TV or reading a newspaper (Kelley, Jugenheimer, & Sheehan, 2011).

⁴ Aerial advertising includes advertising that uses aircrafts for promotion of the product or service. It also includes use of projectors to write words in the sky.

⁵ Rural marketing and advertising is advertising that includes arranging health campaigns in the rural areas and gathering people for entertainment and the sale of products (amusement parks) during holidays.

⁶ Celebrity advertising includes appearance of celebrities on different talk shows and brand endorsements by famous celebrities.

Chapter 3

Research Statement

This study identifies media selection in the Indian and the U.S. advertising industries and compares the findings from both countries.

This research is designed to obtain knowledge about the different media used in the Indian advertising industry and in the U.S. advertising industry, and to study these different media and their future. Interviews are conducted with five Indian advertising agencies and five U.S. advertising agencies. The results of the interviews from the two countries are compared to each other to identify the appropriate media selection in both countries.

Secondary Research

This study also identifies the environment for different media in India and compares it with the media environment in the U.S. This secondary research includes a study of the number of newspapers in India and the U.S., the number of channels of TV present in India and the U.S. and the number of channels available for radio in India and the U.S.

Secondary research is also carried out for analyzing the effect of different factors on media selection such as geography, demographics, and cultural etiquettes in India and in the U.S.

Chapter 4

Methodology

This study is a qualitative analysis, which first identifies the media selected for advertising a product or a service in India and the U.S. This identification is then followed by a comparison of the media selection in the two countries.

A questionnaire (Appendix A) was developed to determine the different types of media used in the industry, different factors considered while selecting media, the effect of media selection on the agencies' workflow, the agencies' identification of upcoming media in each country, the advertising agencies' structure, pricing models for different media, and the use of different software suites in the advertising agencies. A questionnaire was submitted to the Human Subjects Research Office (HSRO) at RIT for approval, which was approved by HRSO before beginning the interviews. It is an open-ended questionnaire.

Secondary research was conducted to evaluate the media environment in both countries. This research included finding out the number of distribution channels for different media, such as the number of newspapers, TV channels, and radio channels in each country. Secondary research included also the study of different factors that can affect or are related to the selection of media, such as cultural

differences and characteristics of the audiences (such as the ability to accept and adapt to the changes in technology and cultural etiquettes), geography, and other factors that affect the media selection in both countries.

Sample

Two convenient samples were chosen for data collection by selecting five advertising agencies in each country. Efforts were made initially to choose the advertising agencies on the basis of revenue. However, due to confidentiality, revenue data were unavailable, and agencies could not be selected on this basis. Thus, agencies were chosen by considering their geographical region. Efforts were taken to choose local advertising agencies in the Mumbai and Rochester (NY) areas.

Data Collection

A questionnaire was presented to media professionals in the agencies in India through email or face-to-face interviews. In the U.S., data collection was done solely through face-to-face interviews. The different personnel interviewed were media directors, a media buyer, and a media planner.

Confidentiality was assured by providing a consent letter. With the full permission of the interviewees, the interviews were conducted.

Based on the answers, the dominant and most used media types were identified. Additional information among the sampled agencies such as the different departments in the agencies, software used in the agencies, and general workflow for the different media was obtained.

The collected data were compared in terms of media types used and the selection method for media in the Indian and U.S. advertising agencies. The declining and emerging media in both countries were also identified.

Data for the secondary research (about the media environment) were collected from published sources such as newspaper organizations and TV associations in India and the U.S.

Chapter 5

Results

The purpose of this research was to determine the media types and factors affecting media selection in India and the U.S. and to compare the findings from the two countries.

Summary of the Responses to the Questionnaire

This section discusses the findings obtained through the interviews in both countries. The questionnaire contains queries about the agency name, contact details, media types used by the advertising agencies, pricing models for buying media, identification of emerging and declining media, factors considered while selecting these media, different software suites used at the agencies, the organizational structure of the agencies, and the workflow followed.

Nine out of the ten agencies are at the regional and local level in both countries, while the tenth agency is a national-level agency.

Media Types, Pricing Models, and Importance of Media

This section analyses the data obtained through research questions 2, and 10. No agency could provide the exact data (question 4) about the media usage percentages for the particular product or the industry.

TV Media in the Indian Advertising Industry.

Table 1
Television Media Usage by Indian Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Cable	√	√	√	√	√
Satellite	√	√	√	√	√

√ = Media type is used by the agency

In India, all five agencies replied that they buy TV media for advertising, and they all use cable and satellite. Advertisers use cable TV as the primary means for local advertising. According to one agency's representative, TV advertising was used less at agencies handling only local advertising compared to TV advertising at the national level. For four out of five agencies, the TV medium is the largest and most important advertising medium.

During interviews with media representatives, it was found that TV reaches a wide range of audiences and has a high degree of personal appeal. The advertisements on TV are attractive due to the use of sound, video, and color. With the help of some melodramatic advertisements (like those about parent-child relationships and friendships), TV can draw upon a viewer's empathy. Due to such advertisements, viewers get attached to the product emotionally and remember the advertisements for a longer time period. In India there are

many TV advertisements that are remembered for many years that have helped establish the products.

Also, it was learned that though the TV medium is the most important in the Indian advertising industry, the advertising agencies that are active only at the local level do not use TV as the major medium and instead use print medium.

All of the Indian agencies mentioned that the price for TV advertising is determined by price per ten seconds.¹ The rate card² is not always followed, and much negotiation takes place based on the advertising budget. According to one of the agencies, data are used to determine the price Target Rating Point (TRP).³ TRP provides audience measurement data about TV channels, and the rates change according to geography, the time of day, and seasons of the year. Prices depend upon prime time advertisements,⁴ non-prime time advertisements,⁵ and run on schedule (anytime in the day) advertisements. One agency mentioned that Television Audience Measurement (TAM)⁶ data also are used in determining buying price.

One of the agencies mentioned that TV advertising can be an associate sponsorship, which helps improve the branding. Also, spot buys⁷ are helpful for brand establishment and product sell. The prize sponsorships for the reality shows are helpful for advertising.

TV is ranked as the number one medium in India for advertising.

TV Media in the U.S. Advertising Industry.

Table 2
Television Media Usage by the U.S. Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Cable	√	√	√	√	√
Satellite	√	√	√	√	√

√ = Media type is used by the agency

TV is used by all five agencies interviewed in the U.S. The use of cable and broadcast TV is more likely than the use of satellite TV.

Satellite TV advertising is used more at the national level than at the local level. The use of TV for advertising is heavy, and it was found that TV is the major medium amongst the advertising agencies. From the discussions, it was found that Google TV,⁸ Spot cable,⁹ network cable,¹⁰ and FIOS¹¹ (fiber optics communication) are the other media being introduced and used for TV advertising.

According to agency representatives, the use of TV media is increasing. Also, the representatives mentioned that the TV advertisements are really innovative and interactive.

The pricing of TV advertising is done using rating points. The cost per point¹² method is used for determining the price, which depends upon factors such as time of the day, season of the year, and holidays.

Advertisements during the Super Bowl are given high importance in the U.S.

Comparison of TV media.

It was found that the TV medium can be ranked as the number one medium in both countries. Due to innovative and creative advertising, the agencies agree that TV advertisements work best to persuade customers to buy a product.

In India the price is determined per ten seconds of the advertisement; while in the U.S. the cost of one rating point is determined using the cost per point ratio. In both countries data about media usage by the audiences are first determined using different resources and then the price is calculated.

One of the differences identified between the Indian and U.S. advertising industries was the terminology used for media buying.

The other difference was that new media, such as spot cable, network cable, FIOS, and Google TV, are used in the U.S. but not in India.

Radio in the Indian Advertising Industry.

Table 3
Radio Media Usage by the Indian Advertising Agencies

Agency Media	Agency1	Agency2	Agency3	Agency4	Agency5
Satellite Radio	X	X	X	X	X
Broadcast Radio	√	√	√	√	√
Internet Radio	X	X	X	X	X

√=Media type is used by the agency
X= Media types is not used by the agency

According to all five agencies, broadcast radio advertising is the only type that is widely used in India. None of the agencies use Internet radio for advertising. Two out of five representatives were not sure if Internet radio was yet introduced in India. All five agencies mentioned that the use of FM radio occurs more often than the use of AM radio. Radio advertising is very common for local advertising. One Indian agency mentioned that radio advertising is facing a decline in the Indian advertising industry, whereas all five agencies agreed that the use of the car radio is high, and thus radio advertising is still used.

Radio advertisements cover wide geographical areas. Due to financial problems, in the rural areas of India people cannot afford to purchase a TV. Since radio is cheaper compared to TV, radio can reach the rural population in India. According to two agencies, though radio advertisements are cheaper, they are not long lasting and not innovative

enough to engage audiences for a long time. Radio advertisements include ten-second advertisements in between the songs, radio jockey (RJ) announcements,¹³ and event organizing (like road blocks for a particular event and celebrity appearances). None of the agencies mentioned the use of satellite radio.

All agencies mentioned that pricing is per 10 seconds. Pricing depends on the time of day, length of the advertisement, and season of the year. In radio advertising, negotiations are high. Radio Audience Measurement (RAM)¹⁴ data are used for calculating the price. The price depends upon whether the advertisement occurs during prime time or non-prime time or is a run-on-schedule (anytime in the day) advertisement.

Radio in the U.S. Advertising Industry.

Table 4
Radio Media Usage by the U.S. Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Satellite Radio	X	X	X	X	X
Broadcast Radio	√	√	√	√	√
Internet Radio	√	√	√	√	√

√ = Media type is used by the agency
X= Media type is not used by the agency

According to all five agencies, broadcast radio is heavily used in the U.S. Satellite radio is not used for advertising by the participating agencies. The use of radio during drive time is significant, and thus the

radio medium is used widely. According to all the agencies, radio advertising is common and more useful for local advertisements.

All agencies mentioned the use of Internet advertising and indicated that Internet radio is still in its initial stage for advertising. Pandora¹⁵ and Google radio are examples of Internet radio types used for advertising.

The pricing methods for radio advertising are same as those for TV advertising. Cost per point is the one method mentioned by all agencies in the U.S. Media buying depends upon different factors such as time of day, special events, and the season of the year.

Comparison of Radio Media.

In both the countries, satellite radio is not used for advertising by the participating agencies, but the use of broadcast radio is heavy.

One of the differences found is the use of Internet radio. In India none of the agencies use Internet radio, and in the U.S. all the agencies mentioned the use of Internet radio, such as Pandora and Google radio.

In India resources such as Radio Audiences Measurement (RAM)¹⁴ are used for data about media usage and were specifically mentioned. The participant advertising agencies from the U.S did not mention such resources.

Internet media in the Indian advertising industry.

Table 5
Internet Media Usage by the Indian Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Websites	√	√	√	√	√
Social Media	√	X	√	√	√
Search Engine Marketing	√	√	√	√	√

√ = Media type is used by the agency

X= Media types is not used by the agency

The Internet is emerging in India, according to all five agencies.

All agencies use the Internet for website advertising and use sites such as Yahoo and MSN. Social media advertising is used by four agencies. One agency that does not yet use social media suggests it to its clients. According to all agencies, Facebook¹⁶ and LinkedIn¹⁷ are the two social media platforms that are used for advertising. Orkut¹⁸ and Twitter¹⁹ are used less compared to other social media. Search engine marketing is in its initial stage in India. One of the agencies mentioned the use of Search Engine Optimization, and one of the agencies mentioned the use of the e-newspaper²⁰ for advertising.

According to one of the agencies, rate cards are used to determine the pricing for social media advertisements. In general, all the agencies mentioned that Internet advertising is priced using data about the number of hits and impressions. As the Internet medium is not a

developed medium in India, the representatives could not provide the exact method for pricing for Internet advertising.

According to all five agencies, the major population in India is not educated enough to use the Internet, and the Internet is not easily available in rural areas. The literacy rate in India is an underlying factor behind less use of the Internet. Two of the five representatives mentioned that the psychology of not readily accepting new technologies also is one of the major factors behind less use of the Internet. Though the use of Internet advertising occurs less than other media, the growth shown by the Internet medium is significant. All agencies mentioned that the use of the Internet amongst the youth population in India is remarkable and increasing. All five representatives from the agencies predicted that the Internet medium will grow rapidly and show significant improvement in the next five to ten years. The main obstacles for the growth are the rural areas and the low literacy rate in India.

Internet Media in the U.S. Advertising Industry.

Table 6
Internet Media Usage by the U.S. Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Websites	√	√	√	√	√
Social Media	√	√	√	√	√
Search Engine Marketing	√	√	√	√	√

√ = Media type is used by the agency

X= Media types is not used by the agency

The representatives from the five agencies indicated that the use of the Internet is increasing significantly year by year. The Internet has become the second most important medium after TV in the US. The use of websites is very apparent in the U.S. A website explaining the products or services offered by a company is a basic need for any company in the U.S., and websites are maintained and updated regularly. Rich media advertisements,²¹ banner advertisements, and video advertisements are used commonly in the U.S. Advertising on video websites such as YouTube²² is increasing. All agencies mentioned that the use of Internet media is significant in the U.S.

Social media advertising is increasing in the U.S., and all five agencies mentioned that social media advertising is in its initial states. Also, all five agencies mentioned that they are focusing on social media advertising and attempting to use social media as a major medium for advertisements. Use of Facebook and LinkedIn is greater than the use of Twitter. The social media website Orkut (which is owned by Google) was not known to four out of the five agencies. One of the agencies mentioned that the social media advertising in that agency was handled by its public relations department.

Search engine optimization and marketing also are used as main components for advertising. It was found that use of Internet media is really useful, as response tracking is easy and usually accurate. Internet

media has a good future in the U.S., and keeping current with the developments on the Internet and in social media advertising can be challenging.

Comparison between the U.S. and the Indian Internet Media.

A remarkable difference was found between use of Internet media in India and the U.S. In India the Internet medium is in its initial state, whereas in the U.S. it is a comparatively established medium and growing rapidly. It also was found that accessing the Internet is easier in the U.S. than in India. In India the Internet is growing faster amongst the youth population than the population older than 40 years of age. In the U.S., the growth and the use of the Internet is high amongst both the youth population and also the over-40 population with Internet usage surpassing that of India.

In India the Internet can be ranked as the third most important medium, whereas in the U.S. it is the second most important.

Print Media in the Indian Advertising Industry.

Table 7
Print Media Usage by the Indian Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Newspapers	✓	✓	✓	✓	✓
Magazines	✓	✓	✓	✓	✓
Direct-mail	✓	✓	✓	✓	✓

✓ = Media type is used by the agency

Print media advertising is the second most important medium in the Indian advertising industry according to four out of the five advertising agencies. Print media are well established and have a good future. Though the digital and electronic media are growing, print media are not showing a decline in India. According to all five agencies, newspapers, direct mail, and magazines are used for advertising. Vehicle wraps are used mostly in the larger cities like Mumbai. Different types of advertisements, such as a full-page advertisement in a newspaper and a three-fold advertisement in a magazine, are used widely. Newspaper inserts also are used for advertising.

The rate card is used to determine the pricing of print media. The price is decided depending upon the position and size of the advertisements as specified on the rate card. Advertisements on the front and last pages of a magazine are more expensive than advertisements on other pages. Newspaper rates can be different for the first three lines and for the first seven lines. The rates for advertisements vary amongst different regions. The pricing for a magazine is decided using cost per thousand²³ impressions. Readership data are used for print media buying.

Print media in the U.S. Advertising Industry.

Table 8
Print Media Usage by the U.S. Advertising Agencies

Agency Media	Agency1	Agency2	Agency3	Agency4	Agency5
Newspapers	✓	✓	✓	✓	✓
Magazines	✓	✓	✓	✓	✓
Direct-mail	✓	✓	✓	✓	X

✓ = Media type is used by the agency

X= Media types is not used by the agency

All the U.S. agencies mentioned that print media, including newspapers and magazines, are declining when compared to newer media. All five agencies use newspapers and magazines for advertising, and four out of the five agencies said that they use direct mail. One of the agencies said they use the newspapers, but their use for advertising is less compared to other media.

All the agencies said that the circulation of newspapers and their readership are decreasing. One representative said that a new concept of “two-three screens”²⁴ is occurring in the U.S., meaning that people like to watch TV and check their email using a laptop, mobile, or iPad while relaxing at home. As a result, they avoid the use of newspapers. Also, due to Internet versions of the newspaper, people use laptops or iPads for reading the news while they are travelling on a bus or train.

Comparison Between the U.S. and Indian Print Media.

The main difference found was there is no sign of print media declining in India in the next five-to-seven years, while in the U.S. the use of print media is already in decline and its future is in question.

Due to the easy availability of the Internet, the use of online newspapers is increasing, and thus the readership of paper-based newspapers and magazines in the U.S. is decreasing. However, in India people still use printed newspapers, as they are readily available in both rural and urban areas. In India newspapers are cheap and affordable for the population; thus there is no fear of decline of print media in India.

Promotional marketing in the Indian Advertising Industry.

Table 9
Promotional Advertising in the Indian Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Event Marketing	✓	✓	✓	✓	✓
Coupons	✓	✓	✓	✓	✓

✓ = Media type is used by the agency

Promotional marketing includes event marketing, coupon distribution, press conferences, and press coverage. All five agencies use promotional marketing. For advertising, different events are sponsored that help to establish a brand. A celebrity presence at product launch also is an effective way of advertising that product. According to

all the advertising agencies, promotional advertising is effective and is sometimes part of the public relations department.

Pricing for promotional advertisements depends upon the type of advertisement. Data about the pricing of promotional advertising were not given in detail by any advertising agency. Event marketing is usually outsourced, and an event management company organizes the events.

Promotional Advertising in the U.S. Advertising Industry.

Table 10
Promotional Advertising in the U.S. Advertising Agencies

Agency	Agency1	Agency2	Agency3	Agency4	Agency5
Media					
Event Marketing	✓	✓	✓	✓	X
Coupons	✓	✓	✓	X	X

✓ = Media type is used by the agency

X = Media types is not used by the agency

Four out of the five agencies said that promotional advertising is used. Three agencies mentioned that a separate department in the agency handles promotional advertising. Use of event marketing was mentioned by four agencies. Three agencies said that they use coupons for advertising. Coupons inserted in newspapers or provided at the grocery stores for the next purchase are used.

One of the agencies mentioned a few other methods for promotional advertising, such as “liking” a Facebook page, tying a product name with educational packages, adding a free-standing insert²⁵

in a newspaper, and offering prizes after registering and giving contact details are few of these methods. Another interesting method one of the agencies use is flash mobs²⁶ at a public place.

Comparison Between the U.S. and Indian Promotional Advertising.

Promotional advertising is used in both countries. Event marketing and coupon distribution are common in both countries. It was found that the use of coupons is more prevalent in the U.S. than India. There are many different methods of promotional advertising used in both the countries.

Other Media in the Indian Advertising Industry.

All five advertising agencies mentioned out-of-home advertising, which includes banners, hoardings²⁷, and advertising in railway stations, airports, and buses. Hoarding can be big or small. In India hoardings can be seen on almost every road, highway, or expressway. In India mall culture²⁸ is new, and people have an attraction for going there.

Therefore, arranging entertainment shows and advertising in the malls also are methods of advertising in India. One of the advertising agencies mentioned Corporate Social Responsibility (CSR)²⁹ as an advertising tool. Another agency mentioned advertising in rural areas by arranging health campaigns or educational programs in these areas.

Also, agencies mentioned internal branding that includes pasting advertisements inside buses and trains. In-flight magazines are also used for advertising.

Other Media in the U.S. Advertising Industry.

Out-of-home advertising was mentioned by all five agencies. This method includes signage³⁰, banners on roads, aerial banners,³¹ posters on buses, in airports, railway stations, and even inside restrooms.

Comparison of the Indian and the U.S. Advertising Industries.

Both countries mentioned out-of-home advertising. In India emphasis was placed on the use of banners and mall advertising. Mall advertising was not mentioned in the U.S.

Summary.

The TV medium is established in the U.S. and India. In India the second most important medium is the print medium, whereas the Internet is in its infancy. In the U.S. the Internet is the second most important medium and use of print medium is declining. Radio is used in both the countries for advertising, and out-of-home is one of the important media in both countries. There are many ways for advertising out-of-home.

Different Factors Considered While Selecting Media for Advertising

Campaign (Question 3)

India.

Table 11

Importance of Different Factors Considered During Media Selection in the Indian Advertising Industry

Preferences Factors	Agency1	Agency2	Agency3	Agency4	Agency5
Cost	1	2	5	2	2
Audiences	2	1	1	1	1
Information to be disseminated	4	3	3	3	3
Type of Product	3	4	2	4	4
Client's Preferences	5	5	4	5	5

1- Most important to 5- Least important

The success of the campaign depends on media planning. While selecting the media for an advertising campaign, advertisers must consider many factors. The most important factor (which can be ranked as number one), according to four out of the five advertising agencies, is the target audience. The geography, language, and age group of the target market are critical for successful media planning. Media strategies and advertisements change according to the target audiences. In India there are more than 20 languages that are spoken by the populations in the different states. Also, cultures in the different states are unique, as are ideological beliefs.

Three of the five agencies mentioned cost as the second most important factor; it includes the budget of the clients, the cost of the

media buying, and the cost of production of the advertisement. It is important to consider the cost before suggesting any media for the advertising campaign.

According to four out of the five agencies, the information to be disseminated about a product or service is the third most important factor in deciding on media. If the advertisement is about spreading a message about the importance of education, usually TV advertisements are preferred because the agencies believe that TV advertising can be more creative and convey the message more easily.

Three of the five advertising agencies said that the fourth most important factor for selecting media is the type of product for which an advertisement is being prepared. For example, in India the TV medium is best for advertising personal care products as it can show different celebrities using the product and attract a large number of people. Four out of five agencies said they would listen to their clients' suggestions but would try to explain to them the right way of dividing an advertising budget. In other words, clients' preference is the last factor considered in selecting media type. At the same time, these agencies mentioned that if the client does not agree with or listen to the agencies' suggestion, the agencies will follow the clients' wishes. In such situations the responsibility for the success of the advertising campaign will not be assumed by the agencies.

Apart from these factors, other factors to be considered in India while selecting media are geography and season of the year. Due to the many differences in cultures and languages, many festivals in India are celebrated during different times of the year. The timing of the festivals is a necessary consideration while selecting media types for an advertisement.

U.S.

Table 12
Importance of Different Factors Considered for Media Selection in the U.S. Advertising Industry

Preferences Factors	Agency1	Agency2	Agency3	Agency4	Agency5
Cost	3	2	4	2	2
Audiences	2	1	1	1	1
Information to be disseminated	4	3	3	3	3
Type of Product	1	4	2	4	4
Client's Preferences	5	5	5	5	5

1- Most Important to 5- Least important

According to four out of five agencies, the audience is the most important factor in planning media for a particular campaign. These four agencies said that cost is the second most important factor, but for the other two agencies, cost is not one of the top two factors. Four agencies mentioned that the third important factor is the information to be disseminated. The type of product is the fourth most important factor for the three agencies, but for one agency it is the most important factor. All

the agencies said that the clients' preference for selecting media is considered, particularly if clients are not ready to change their mind. All agencies mentioned that sometimes clients have a particular mindset about specific media. This perspective sometimes can be wrong, and thus it is necessary to persuade the client about the best media to use. All the agencies also mentioned that if the client is firm on his or her decisions, then the agency will not take responsibility for the degree of success of the advertising campaign.

Along with the five factors mentioned above, the agencies mentioned many others. Geography, time of day, and season of the year are important factors in deciding media types. Also, information about demographics and usage of media are considered while choosing a medium. Mindset, psychology, and attitude of the intended audience should be considered as well. Data about the historical performance of the media also are important while deciding media for advertising. Though all participant agencies mentioned different factors, each one mentioned that choosing media and giving preference to these factors can change depending on the advertising campaigns.

Comparison Between Indian and U.S. Advertising Industry.

In both the countries there was little difference found in the preferences given to the different factors, as shown in Tables 11 and 12.

Emerging and Declining Media

This section includes analysis of data obtained from research questions 5 and 6.

Emerging Media in India.

The Internet is the emerging and growing media in the Indian advertising industry according to all five agencies. Three of the agencies mentioned social media along with the Internet. All agencies' representatives mentioned that although the Internet has not yet reached large audiences in many parts of India, the growth shown by Internet media in terms of revenue and spending is significant and expected to increase. All agencies also mentioned that the Indian advertising industry is growing and has a great future in the next 5-7 years.

Emerging Media in the U.S.

According to all five agencies, digital media is emerging in the U.S. All of the agencies specifically mentioned social media. Two of the agencies mentioned that mobile and out-of-home advertising are emerging. One of the agencies mentioned that the use of Fiber Optics cable TV advertising is a new and emerging medium in the industry.

Declining Media in India.

According to all agencies, no medium is facing decline in the Indian advertising industry. However, three out of the five agencies said radio has started showing a decline when compared to other media. When asked about the print media, four out of the five advertising agencies concurred that print media is not showing a decline. It is a stable and established medium and is not likely to face decline in the near future.

Declining Media in the U.S.

All agencies said that print media are facing major decline in the U.S. Printed newspapers are affected because of e-newspapers. Three of the five agencies mentioned that because of the increasing use of Internet radio, traditional radio advertising has started to decline.

Comparison Between Emerging and Declining Media in the Indian and U.S. Advertising Industries.

The emerging media in both countries is digital. However, in the U.S. all the representatives mentioned that the use of social media is increasing. Mobile advertising also is an emerging medium for advertising in the U.S.

In India all media are flourishing. In the U.S. the print medium is in trouble and in decline. In India the print medium is established and will not be affected for the next 5-7 years. Advertising agencies in the U.S.

mentioned that the use of radio advertising is on the decline, and in India it has become stagnant but is still in use.

Advertising Agencies: Structure, and Workflow

This section includes data analysis of research question 7, 8 and 9.

Advertising Agencies in the Indian Advertising Industry.

The departments within the agencies depend upon the type of advertising agency. In India three agencies outsourced printing and digital production. Only two agencies had an in-house digital studio and production department, with animators, web developers, and audio and video specialists. Also, all the agencies had their pre-press departments within the agency, but the printing was outsourced. The different departments in the advertising agencies can be summarized as an accounting department, a marketing research department, a media planning and buying department, and a production department. If the agency itself is producing the content of the advertisement, there may be a print production department, a radio and TV broadcast department, an event management department, and a promotion department

The representatives mentioned that the size of the agency is an important factor to be considered in understanding the agency structure. The local agencies are usually family owned and are not well organized. The national agencies are well organized and well managed.

The typical workflow observed in all five agencies consists of discussions with clients, product research, target audiences and media research, budget finalization, media planning meetings, budget distribution amongst different media, media buying, creative production according to the media selected, production of the advertisements (or outsourcing), and distribution.

The different position titles in the Indian advertising agencies are president, vice president, director, chief executive officer (CEO), media director, account head, and designers.

When asked about the software suites used in the agencies, the representative answered that Adobe Photoshop is commonly used. Also, Corel Draw³² software is used widely for designing. Only one of the agencies mentioned that they use Adobe Illustrator and Adobe InDesign for designing. Also, representatives were unaware of the QuarkXpress software. The media planners or media professionals who were interviewed had little knowledge about the software used for designing and production purposes. None of the representatives from the five agencies mentioned any media transactional (media purchasing/budgeting) software. It was found that none of the agencies used any software for Digital Asset Management or content management.

Advertising Agencies in the U.S. Advertising Industry.

In the U.S. three of the five agencies do not have an in-house production department. Printing and digital advertising creations are outsourced. However, all the agencies mentioned that they have designers for print, Internet (website designers), and digital media. Different departments in the advertising agencies can be summarized as account services department, creative department, media planning and buying department, workflow management department (handles trafficking and administrative work), and marketing research department. The creative department includes different departments such as the digital media team, the pre-press department, and the social media department. There may be a separate department for promotional advertising. Also, the public relations department can handle promotional advertising.

Different positions in the advertising agencies can be summarized as chief executive officer, chief financial officer, account executives, creative directors, media directors, media buyers, media planners, assistants, coordinators, designers, and specialists for different media.

The workflow pattern in the advertising agencies can be summarized as interaction with clients by the accounts person, achieving an understanding of the requirements of the product and advertising campaign, media research, media planning and buying

meetings, development of a plan to be followed for the advertising campaign, production, and distribution.

All agencies mentioned the use of Adobe Photoshop, Adobe InDesign, and Adobe Illustrator. One of the agencies mentioned the use of media purchasing software such as Strata.³³ This agency mentioned also the use of software for marketing and media research and research about the Eyes on Impressions³⁴ (EOI). One of the agencies mentioned the use of software such as Media Bank³⁵ (media planning and buying software). This agency mentioned the use of the data from Neilson³⁶ to determine the statistics about the demographics and media usage. Also, QuarkXpress was used by three out of five agencies.

Comparison between the U.S. and the Indian Advertising Agencies.

In the U.S. the agency structure is more organized than in India. A few extra departments such as a social media department and a workflow management department were mentioned in the U.S. and were not mentioned in India. The other difference found between the Indian and the U.S. advertising industries is the terminology used for the different positions in the agency.

In the Indian advertising industry, the use of Corel Draw software was mentioned, and in the U.S. none of the agencies use Corel Draw. Also, only one agency in India uses Adobe InDesign and Adobe Illustrator, whereas in the U.S. all five agencies mentioned the use of

these software suites. The use of the media buying software was not mentioned by the Indian advertising agencies, whereas three agencies in the U.S. use these software applications.

Media Environment in India and the U.S.

This section discusses the media environments in India and the U.S. It includes information about the number of newspapers published, and the number of TV stations and radio stations, as well as information about several other media types in both the U.S. and India.

India

Newspapers Titles in India.

According to Euromonitor International (2012), in 2011 the total newspaper titles in India were 70,687. The total non-daily newspaper titles were 63,000 and daily newspaper titles were 7,678. Newspaper titles increased from 63,150 in 2006 to 70,687 in 2011, an 11% increase in 5 years.

TV Stations in India.

Doordarshan is India's biggest public TV network. According to Europa World online, the total number of TV stations grew from 461 in 2009 to 626 in 2011. According to the CIA (2012), there are more than 700 TV stations in India. The main networks are Doordarshan India (Television India), Network 18 Group, Star TV, NDTV Network, Sony Entertainment Television (Multi Screen Media Pvt. Ltd.), Zee

Entertainment Enterprises Ltd., and TV Today Network (Europa World Plus [online], 2012).

Other Media in India.

According to Europa World online (2012), there were more than 245 FM radio channels by 2011. The main radio stations are All India Radio (AIR), Big FM, Fever 104, Oye! FM, Radio City, Radio Mirchi, Radio One, and Radio FM. There are government or privately owned radio stations.

According to CIA (2012), there are over 35 million main telephone lines in India and 752 million mobile cellular phones. There are 6.7 million Internet hosts, and India is the sixteenth country in terms of the number of hosts. There are 61.3 million Internet users in India.

U.S.

Newspaper Titles Published in the U.S.

In 2009 there were a total of 1,397 daily newspapers in the U.S. The number of morning newspapers was 869 and evening newspapers 528. There were 902 Sunday newspapers in the U.S. in 2009 (U.S. Census Bureau, section 24, 2009).

According to Euromonitor International (2012), the total number of newspaper titles in the U.S. was 2,340 in 2011, out of which the number of daily newspaper titles was 1,415 and non-daily newspaper titles were 925.

TV Media in the U.S.

Broadcasting (The United States of America) states that, "U.S. has the highest ratio for the radio and television receivers per head of population in the world." There are four major TV networks in addition to cable and satellite networks and independent stations. According to the United States Census Bureau (2012), there are 1,782 TV stations, 6,203 cable TV systems, and 65.8 million cable subscribers in the U.S.

Other media environments in the U.S.

According to CIA (2012), there are multiple national radio networks, and according to the United States Census Bureau (2012), there were 14,420 radio stations in 2009, including AM stations, FM commercial stations, and FM educational stations.

There are 14,420 radio stations in the U.S., out of which 4,790 are AM and 9,630 are FM (educational and commercial) radio stations (U.S. Census Bureau, section 24, 2009).

The U.S. has 151 million telephone lines (CIA, 2012) and is the second largest country in terms of the number of telephone lines. There are 279 million mobile cellular phones, and the U.S. is the third largest country in the world(after China and India) for the mobile cellular phones. The communication system in the U.S. is technologically advanced. There are 498 million hosts, making the U.S. first in the world

in this category. There are 245 million Internet users. The U.S. is second after China in the number of the Internet users.

The possible reasons behind the differences in the media usage in the U.S. and in India

This section includes information about different factors that affect media selection. Different factors such as culture, literacy rate, population, geography are discussed.

While reviewing the literature, the researcher identified that the culture, geography, psychology, population, and literacy rate are likely factors behind the differences in the media types and their popularity in India and the U.S. While interviewing the advertising agency professionals, the researcher identified that cultural and geographical factors play an important role in the media selection process and are the basis for the differences in the media types used in two countries. Thus, the researcher carried out secondary research to compare geography and demographics in both the countries.

Geography

According to Kelly, Jugenheimer and Sheehan (2011), all media can be purchased locally, nationally, or regionally, but different media have different responses depending upon the geography. Media response for one geographic area can differ from another. Thus, geography is an important issue in media planning.

Geography of India.

India is located in southeastern Asia and bordered by the Arabian Sea and the Bay of Bengal between Pakistan and Burma. The total area land mass of India is 3,287,263 sq km. There are 28 states and 7 union territories. India is the seventh largest country by size in the world (CIA, 2012). The climate in the south is tropical monsoon and in the north of India is temperate (CountryWatch, 2012).

Geography of the U.S.

The U.S. is located in North America between Canada and Mexico and is bordered by the North Atlantic and the North Pacific oceans. The total area land mass of the U.S. is 9,826,675 sq km, and the U.S. is the third largest country in the world. There are 50 states in the U.S. (CIA, 2012). The climate is largely temperate (CountryWatch, 2012).

Demographics

Understanding demographic characteristics is important for an effective media plan. According to Kelly, Jugenheimer and Sheehan (2011), ethnicity affects media planning “Ethnic audiences do watch, listen to, and read media that would be considered general-market media; nevertheless, each ethnic group also uses specific media that are tailored to its specific culture” (p. 41).

The lifestyle of the target audiences affects media planning. Lifestyle has an effect on people's tendency to purchase products, and also the purchase decision depends upon income, literacy rate, and religion. For media selection, it is important to find out whether the audience is rich or poor, employed or unemployed, and well educated or illiterate (Kelly, Jugenheimer& Sheehan, 2011). These factors are different in India and the U.S. and thus affect media selection in these two countries.

Demographics of India.

India is the second most populated country in the world. The population growth rate of India is 1.3%. According to CountryWatch (2012), India occupies only 2.4% of the world's land mass, but the population is more than 15% of the total world's population.

The urban population in India is 30% of the total population (CIA 2012). According to CountryWatch (2012) data, more than 65% of the population is from the villages. There are about 550,000 villages in India and 600 cities and towns.

In India there is a diverse mixture of ethnic, linguistic, and religious groups; thus CountryWatch (2012) states that India is one of the world's most heterogeneous countries. Indo-Aryan, Dravidian, and Mongoloid are the main ethnic groups.

According to CountryWatch (2012), Hindi is the official language of India. Also, the English language has an official status in India. According to the CIA (2012), although there are many languages in India, Hindi and English are the important languages for national and political communication. The other main languages in India are Bengali, Telugu, Marathi, Tamil, Urdu, Gujarati, Kannada, Malayalam, Oriya, Punjabi, Assamese, and Maithili. There are a total of 14 official languages. According to CountryWatch (2012), depending upon the source and method of counting, the number of languages in India is 179 to 188. The number of dialects can vary from 49 to 544.

The different religions in India are Hindu, Muslim, Sikh, and Christian (CIA, 2012). According to CountryWatch (2012), the Indian population also includes Jews, Buddhists, Zoroastrians, and Jains.

Depending upon occupations and religions, there are thousands of castes and sub castes in India. There are laws to avoid discrimination against lower classes in India, but the caste system plays an important role in social and political organizations (CountryWatch, 2012).

If the literacy rate is defined as the number of people age 15 and above who can read and write, then the literacy rate in India is 61% (CIA, 2012).

Demographics of the U.S.

The U.S. is the third most populated country in the world. The population growth rate is approximately 0.9%. The urban population of the U.S. is 82% of the total population (CIA, 2012).

Different ethnic groups in the country are Caucasian, African American, Hispanic, Asian, Native Americans, native Alaskan, native Hawaiian, and other Pacific islanders. The languages used in the U.S. are English, Spanish, Indo European languages, and Asian and Pacific island languages.

More than 80% of the population is Christian (CountryWatch, 2012). Different religions in the U.S. are Protestant, Roman Catholic, Mormon, other Christian religions, Jewish, Buddhist, and Muslim (CIA, 2012).

According to CountryWatch (2012), there is no official language in the U.S., but English is the main language. Spanish is another important language. According to the CIA (2012), people who are age 15 and above and can read and write are literate. According to this definition, the literacy rate of the U.S. is 99% (total population) among both the male and female populations.

Effect of These Factors on Advertising Media Selection

The target market is an important factor to be considered during media selection. According to Jethwaney and Jain (2006), audiences

can be grouped based on age, sex, religion, education, income, and occupation (p. 205); thus, demographic characteristics are an important consideration during the media selection process. These factors affect the standard of living, personality, psychology, and lifestyle of the target audience. Population affects the income and employment rate of the country. The lifestyle of the target market is also an important factor in the media selection process and can vary according to income, literacy rate, and religion. Thus, the religion, population, and literacy rate are key factors in selecting advertising media. All of these factors are interdependent. There are different religions, income levels, and literacy rates in both India and the U.S.

Consumers at different locations develop different buying habits (Jethwaney& Jain, 2006). As a result, the greater the geographical difference, the greater the difference in buying habits. The U.S. is larger than India in terms of its geographical size, and its population is less than that of India. Also, climate is one of the factors that should be considered while planning media for an advertising campaign (Jethwaney & Jain, 2006). For example, an advertisement for heaters should be broadcast in cold regions and not in hot regions. The climate of the U.S. and India is different.

When compared to India, the U.S. has more available resources. Income and lifestyle are better in the U.S. From the researcher's

personal experience and discussions with the agency representatives, it was clear that the population in the U.S. readily adapts to new technologies compared to the Indian population, because the U.S. population has easier access to resources. The literacy rate in the U.S. is high, and thus the population can adapt to new technologies more readily than India's population. The English language is also one of the major factors that help people adapt to new technologies. In India, though the English language also has an official status, the rural population is not educated enough to read or write in English language; as a result, in many schools the basic education is taught in vernacular languages.

Along with these factors, other elements that can affect the advertising and media selection are family type (nuclear or joint families³⁷), social class, and culture. Culture can include dressing habits, socialization habits, cuisines, customs, and superstitions. These factors affect buyer behavior and thus affect advertising strategies. There is a difference between U.S. culture and Indian culture. For example, according to Jethwaney and Jain (2006), the burger with beef is one of the favorites from McDonald's worldwide, but when McDonald's was introduced in India, beef was replaced with mutton (goat meat) (p. 199). Indians consider the cow a sacred creature, and it is inappropriate to eat beef in the Hindu culture. There are differences in cultural etiquette from

greetings, behavior at temples and holy places, behavior with friends, and behavior at hotels. Etiquette that is common in one country can be regarded as showing disrespect or insulting to someone from another country. In India one does not address an elderly person by his or her first name, whereas in the U.S. addressing someone by their first name is a common practice. In India addressing a professional or elderly person by a first name can be a show of disrespect. In the U.S. hugging and handshaking can be common ways of greeting in public, but in India men and women avoid public contact. These etiquette differences can affect the content and concepts of advertisements in India and the U.S. (CountryWatch, 2012).

In conclusion, these are factors on which advertising media selection, the identification of declining and emerging media, and the advertising content can change in any country. Since these factors are different in India and the U.S., it is expected that media usage will continue to be different in each country.

Explanatory Notes

¹Per 10 seconds is a way to determine pricing for TV and radio advertising. The price of the advertisements are divided into ten second intervals and then calculated for the total length of the advertisement.

²A rate card contains information about the rates and prices for advertising in various media. Rate cards have specifications such as prices for ad placement, a color advertisement, or the length of the advertisement depending upon the media type.

³TRP is a means by which the popularity of a TV channel or program is measured. It helps to decide the TV channel or program to be used for advertising.

⁴ Prime time advertisements are run when the largest audiences are available (such as evening times from 7:00-10:00 pm), and the advertisement rates are maximum during these times.

⁵Non-prime time advertisements are run when the TV audiences are at a minimum.

⁶TAM is the specialized branch of media research that gives information about the size and characteristics of a TV audience, according to Nielson.

⁷Spot buy is buying media for a selected market.

⁸Google TV is the technology that allows one to watch such programs as movies, game shows, and sports live on TV or through the web, with

the personalized search recommendations across multiple content sources. It is co-developed by Google, Intel, Sony and Logitech.

Website: <http://www.google.com/tv/index.html>

⁹Spot cable allows buying local cable and provides flexibility to target a specific geographic area and target audience. Two or more ads can run simultaneously for different target audiences.

¹⁰Network cable allows the purchase of cable directly from a network, which helps to reach a national audience.

¹¹FIOS is a telephone, TV, and Internet service that uses a fiber optics network and provides clear calling, good quality, and faster speed.

¹²Cost per point is the cost of reaching 1% of the target audience.

¹³RJ announcement is a type of radio advertising in which the Radio Jockey promotes a message or product of the client during programs on the radio.

¹⁴RAM is the branch of media research that provides data about audience characteristics and media usage for radio.

¹⁵Pandora is an Internet radio that allows users to create a radio station that plays their favorite singer, band, or movie.

Website: <http://www.pandora.com/>

¹⁶Facebook is a social networking website that allows users to create their own profile and share their thoughts, photographs, and videos online with friends. Website: www.facebook.com

¹⁷LinkedIn is a social networking website for sharing professional information and is used for job search. Website: www.linkedin.com

¹⁸Orkut is a social networking website owned by Google that is less popular in the U.S. and mostly used in India and Brazil.

Website: www.orkut.com

¹⁹Twitter is a social networking website used for blogging.

²⁰E-newspaper is an Internet version of the printed newspaper that gives live news and sometimes adds videos and audio.

²¹Rich media advertisement is a type of Internet advertisement that uses interactive digital media such as audio and video.

²²YouTube is a video-sharing website used for sharing, viewing, and uploading videos. Website: www.youtube.com

²³Cost per thousand is the cost of media for reaching 1,000 audiences.

²⁴Two-three screens concept was explained by one of the interviewees.

People nowadays like to watch TV while checking their emails on a laptop and sending messages to friends. As a result, the use of 2-3 different screens is increasing.

²⁵Free-standing insert is a printed advertisement (in form of brochures, leaflets, or coupons) inserted in a newspaper.

²⁶Flashmob is an act in which people gather together suddenly and perform a dance or other kind of entertainment.

²⁷Hoardings is a billboard (British meaning).

²⁸Mall culture is shopping in a mall that carries various brands, restaurants, and entertainment programs that provide comfort and convenience of shopping.

²⁹CSR stands for Corporate Social Responsibility. It is a responsibility of a businessperson or firm that is taken for social reasons and not primarily for economic reasons (Carroll, 1999).

³⁰Signage is a visual graphic display board.

³¹An aerial banner is the advertising media that allows an airplane to fly with a banner affixed behind the plane while it flies in a specific area for a given audience to view.

³²Corel Draw is a vector graphic designing software application.

³³Strata is a software application that is used for media purchasing and selling.

³⁴Eyes on Impressions are the number of audiences who are likely to watch an advertisement.

³⁵Media banks provide tools and applications or media management in media and advertising agencies.

³⁶Nielson provides data about audience characteristics and media usage.

³⁷Joint families are multi-generational families composed of parents, grandparents, children, and their spouses all living together under one roof.

Chapter 6

Conclusion and Future Scope for Research

The previous chapters covered the background and significance of the research statement, personal interest in the research, and a literature review about advertising, media, and the Indian and U.S. advertising industries. The methodology was discussed to explain the data gathering from five advertising agencies from each country. Data gathered from interviews with representatives of the ten agencies (five in India and five in the U.S.) are analyzed in the results chapter. This chapter provides conclusions about the findings and discusses the limitations of the study and suggestions for future research about the advertising industries in India and the U.S.

Conclusions

Media Selection in the Indian and the U.S. Advertising Industries

The research was conducted to identify the media types used in the Indian and U.S. advertising industries. Representatives from the advertising agencies were asked about dominant media types, those types facing decline, factors considered while planning media for an advertising campaign, pricing methods for media purchasing, workflow in the advertising agencies, and the specific departments in the advertising agencies.

Although all media types are used in both countries, the degree of their usage differs. The major differences are in the media usage of the Internet and print media. Internet media is used in India as well as the U.S., but the maturity, establishment, and the degree of usage is greater in the U.S. The print medium also is used in both countries. Use is steadily declining in the U.S. but print is still an important medium in India and shows no sign of decline.

TV Media.

TV is the most important and established medium in India and the U.S. In the U.S., advertisements on FIOS (fiber optics cable network by Verizon), spot cable, and Google TV are being introduced but are not available in India.

Print Media.

As previously indicated the print medium is a mature and established medium in India and continues to grow in its advertising industry. In contrast, the print medium is experiencing a major decline in the U.S.

Radio.

Radio advertising is stable in both countries. All participating agencies mentioned the use of broadcast radio. It is most widely used for local and regional advertisements in both countries. Internet radio is becoming popular in the U.S. but is neither used nor well known in India.

Although radio advertising is still used, its use is gradually decreasing in both countries.

Internet media.

Internet medium is in its initial growing stage in India. In the U.S. the Internet medium is an established, growing medium when compared to India. Use of social media advertising and search engine marketing is increasing in the U.S. In India, however, social media advertising is being suggested by the agencies but is still not used as the medium for advertising.

Promotional Media.

Promotional media are used in both countries, but the ways of using it and the various types of promotional media are different. The use of coupons is more widespread in the U.S.

Out-of-Home Media.

Out-of-Home (OOH) is an important and growing media in both countries, but there are differences. Aerial advertising, advertising in railway stations and at bus stops, and banners on the roads are commonly used out-of-home media in both countries. Mall culture is new in India; thus, advertising in the shopping malls is becoming popular. The use of banners (known as hoarding in India) is more common in India.

Other Differences:

The other difference is the terminology used for pricing different media. Cost per point is the term used in the U.S. for TV and radio media buying, and “per ten seconds” is the term used in India for these media. In addition to the terminology for pricing, organizational structure, workflow, and terminology for different positions in the agency are different in each country. This knowledge is useful information for the agencies that want to invest in either country. Further detailed research can be carried out to compare the structure, workflow, and business culture in India and the U.S.

Secondary Research

Secondary research was carried out on the media environments in the U.S. and India to determine the number of newspaper titles, TV stations, and radio stations in both countries.

The number of newspaper titles in India is greater than in the U.S. The number of TV stations is greater in the U.S. than in India. The number of Internet hosts is greater in the U.S. than in India, and the number of mobile cellular phones is greater in India than in the U.S.

The communication system in the U.S. is more advanced than in India; thus the rate at which digital media are growing in the U.S. is faster. Print media are well established in India but are facing major decline in the U.S.

During interviews and discussions with the agency representatives, the researcher identified several factors such as geography, climate, and demographic characteristics that have an important role in the media planning process. As a result, the researcher carried out secondary research to find out the details about geography, climate, demographics, and culture of India and the U.S. There are major differences in the geography. The total geographic land mass of the U.S. is greater than India, but the population of India is greater than the U.S. The literacy rate of the U.S. is higher than India's literacy rate. India is a more diverse country than the U.S. in terms of religion, ethnicity, and languages. All of these factors affect the lifestyle, income levels, and culture of the target audiences. They have a major influence on media selection, and the media selection and usage in India and the U.S. are different.

Limitations of the study

The questionnaire included a question about media spending for different industries in India and the U.S. (Questions 4). Interviewees were asked to give approximate percentages for media usage. Interviewees were unable to provide the percentages and explained that it depended upon the product and could not be generalized. Also, the participating advertising agencies were not active in all the industries

mentioned in the questionnaire. As a result, the data about media usage for different industries could not be obtained through interviews.

Another limitation of this study is the sample used for the research. The researcher tried to select and then stratify the agencies based on their revenue. Also, the researcher tried to choose the agencies depending on their size (number of employees). The data about agencies' revenue and size could not be obtained because the agencies regarded this data as confidential. The agencies were of different types and worked on different levels (local or national level). Also, this sample, which contained five agencies from India and five agencies from the U.S., was small; hence, the findings cannot be generalized.

The other limitation is that the personnel interviewed were media professionals (media planners, media buyers, or media directors). Consequently, these representatives could not always provide in-depth details about other departments in the agency such as the creative, design, and production departments.

Future Scope

This research forms the basis for the comparison of the Indian and U.S. advertising industries. Further research can be conducted to determine the media selection procedure and media spending by both national and international advertising agencies. Also, case studies for

the advertising agencies that are active both in the U.S. and India could help determine the differences in strategies to be used for media selection in both countries.

Research about media usage and consumer behavior is important in order to understand the current trends and to create a robust media plan that can give significant return on investment (ROI). Media research databases and software applications are available and are used by the advertising agencies. Information about these applications and databases can be helpful.

Research questions about the various departments in each advertising agency and the workflows followed for the advertising campaign were added to determine the differences in the departments, terminology used for different positions in the departments, and the workflows. Further in-depth research can be done to help understand the business culture and workflow in the advertising agencies in both countries. This information also will help the advertising agencies that want to invest in the other country.

The researcher identified a few factors such as geography, population, literacy rate, and culture that affect the media selection in any country. These factors can be studied in terms of their importance in the advertising industry and their relationship with media selection. Comparisons between the U.S. and India can be carried out in terms of

these factors. Further research about cultural etiquette in India and the U.S. also would be helpful.

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Appendix A

Questionnaire

Hello Sir/ madam,

I am Yashashree A. Potdar. First of all, thank you very much for giving me an opportunity to interview you. I am a graduate student from the School of Print Media at the Rochester Institute of Technology based in Rochester, New York.

My master's thesis is about the media selection in the Indian advertising industry and its comparison with the media selection in the U.S./ Indian advertising industry. I am conducting a survey for my thesis.

I want to do research about different media used in the U.S./Indian advertising industry and the factors affecting the selection of these media. I want to gain knowledge about pricing models for different media and also about the organizational structure of the agencies.

My research will be helpful for the agencies in both the countries, if they wish to invest in the other country.

I would like to ask you few questions regarding my research.

All of the survey information that I collect today will be kept confidential. I will be the only person who can access the information. Also, the name of the advertising agency will be deleted. The data collected today would be presented in the form of percentages.

The interview will take approximately 30-45 minutes.

Also, your participation is voluntary and you can stop participating without the loss of benefit.

Thus, with your permission I would like to start with the first question about this advertising agency.

Questionnaire:

I. Agency Details:

- Name of the agency:
- Type of the agency:
- Address:
- Contact:

II. What different types of media are made available to clients in your agency? (Please check boxes)

1. TV media: ☐

- Broadcast: ☐

- Cable: ☐

- Satellite: ☐

- Other: ☐

2. Radio:

- Satellite radio: ☐

- Broadcast radio: ☐

- Internet radio: ☐

3. Internet:

- Websites: ☐

- Social media: ☐

- Facebook: ☐

- LinkedIn: ☐

- Twitter: ☐

- Orkut: ☐

- Other ☐

• Search Engine Marketing: ☐

• Other: ☐

4. Print Media:

• Direct –Mail: ☐

• Newspaper: ☐

• Magazine: ☐

• Vehicle wraps: ☐

- Other: ☐

5. Miscellaneous:

- Billboard: ☐
- Mobile: ☐
- Other: ☐

6. Promotional Advertising: ☐

- Event Marketing: ☐
- Coupons: ☐
- Placements: ☐
- Other: ☐

7. Other:

III. What are the factors that are considered while selecting these media? (Write Y for yes and N for no; also number (sequence) the factors according to their importance.)

- Cost:

- Audiences:

- Information to be disseminated:

- Type of product:

- Client's preferences:

- Other:

IV. How would you divide an advertising budget for the following industries? Or you can tick mark the media used for these industries:

Products/ Services:

Media Industries	TV (%)	Radio (%)	Print (%)	Internet (%)	Mobile (%)	Promotional (%)	Other (%)
Retail	1	2	3	4	5	6	7
Automotive	8	9	10	11	12	13	14
Telecom &Internet	15	16	17	18	19	20	21
Food& Beverages	22	23	24	25	26	27	28
Personal Products	29	30	31	32	33	34	35

Notes:

V. Which are the emerging media in the U.S./Indian advertising industries?

VI. Which media are facing decline in the U.S./ Indian market?

**VII. Can you tell me about the departments within your agency
and different position titles within those departments?
(organizational chart)**

VIII. Which software is regularly used by the advertising agency?

- Adobe Photoshop:
- Adobe InDesign:
- Quark Express:
- Other:

IX. What is the general workflow in the agency for different media?

X. How is the price determined for following media?

- TV media
- Radio media
- Print media
- Internet media
- Mobile
- Other

Thank you so much for your time and the privilege of having an interview with you. I will try to give you a summary of the final research findings.

Thanks again!

Appendix B

Explanation of the questionnaire

Question1: Details about the advertising agency

Details were requested to find out the type of advertising agency and the contact details of the professionals who were interviewed. By considering the possibility of doubts and questions after the interviews, contact details were asked.

Question 2: Media types used by the agency

The researcher identified some media types during questionnaire design and asked interviewees to select the media types used in their agencies. Also, an option was given to explain any other media types than those already mentioned in the question. It helped to determine the use of different media types by the agencies. In a few cases, interviewees also explained why the particular media was used and why some of the media types were outdated. It also helped to find out how different media types are used locally, regionally, and nationally.

Question 3: Factors to be considered for selecting media

This question helped to determine the factors that are considered while deciding the media types. The researcher mentioned a few common factors in the question and asked interviewees to rank the factors according to their importance. Also, an option was given to mention any other factors than those listed in the question.

Question 4: Advertising budget distribution for different media in five chosen industries

This was a time-consuming question. As the size and type of the advertising agencies were different, not all professionals could answer this question properly. After the first interview, the researcher had to either modify or eliminate this question. A few agencies asked the researcher to refer to an online database containing information for the products and industry types.

Question 5 and 6: Emerging media and media facing decline in the advertising industries

This question was designed to find out the emerging medium or media and media facing decline in both the countries.

Question 7: Organizational structure and different positions in different departments

This question was asked to get an idea about the agencies' structure in India and the U.S. It also helped to find out whether print production and/or digital advertising production is done in-house or is outsourced. Although this was not the primary aim of the research, this question was asked to form a basis for further research about the agency structure and terminology used in India and in U.S. for different departments and different positions in the departments. Also, further

research about degree of outsourcing of creative production for advertisements can be done using the data gathered.

Question 8: Use of software suite

While studying in RIT, the researcher herself found the differences in the use of software suites used in India and the U.S. This question was asked to find out if the use of software for print design, graphic design, and workflow management is different in the two countries.

Question 9: Workflow in the agencies

This question was also asked to form the basis for further research about the workflow followed in the agency for an advertising campaign. It helped to find out the business culture in the advertising agencies.

Question 10: Media pricing models for different media

Different media types are priced using different pricing models such as cost per point or cost per impression. This question helped to find out different pricing models for different media in India and the U.S.

Appendix C

Synopsis of the interviews

Advertising agencies in India

Agency 1

Media.

Satellite TV and cable TV are used by this agency for advertising. Satellite radio, FM radio, All India Radio, and MW radio are used for advertising. Prices for TV and radio media are determined per ten seconds of advertisements. Negotiations are lengthy for media purchasing. The rates change according to the time of day.

This agency does not use Internet radio for advertising. Websites are used for advertising. Social media is not used as one of the major media but is suggested to the clients for use in promoting their product or company. Facebook is used more than LinkedIn and Twitter. This agency encourages clients to use Facebook for promotion, if a client is ready to invest. Use of Search Engine Marketing is moderate. Electronic-paper is doing well and is in its initial stage. Use of an electronic newspaper for advertising is an additional service provided by this agency. Rate cards are used for buying social media, but the prices are negotiated.

Printed newspaper, magazines, and direct mails are used heavily for advertising by this agency. Different advertisements such as three-

gate-fold advertisements in the magazine or full-page advertisements in the newspaper are common ways of advertising. The pricing of the advertisement depends upon the position and size of the actual advertisement.

Push messages are sent for mobile advertising. According to the representative, voice mail is not used for advertising as a sufficient number of handsets and service providers supporting voicemail are not available in India yet.

Event marketing is handled by event management companies and different events such as press coverage, press conferences, product launch functions, sponsored events, and client presentations are the common marketed events. Coupons are generally distributed as newspaper inserts. According to the representative, outdoor advertising is an important medium. Airport advertising, railway station advertising, bus stop advertising, internal advertising in the bus, airplane, and train, posting hoardings (banners) for TV programs, and banners on the road dividers are ways of out-of-home advertising used in India.

Factors considered while selecting media.

Cost is the major factor to be considered while selecting a medium. The audience is the second most important factor, and research about demographics is important while selecting media. The type of product for which an advertisement is to be planned is the third

most important factor, and information to be disseminated is the fourth important factor for media selection. A client's preference is the least important factor while selecting media. A representative mentioned that usually a client has presumptions about particular medium and tends to give preference to that medium. Media planners try to convince the client to use the media suggested by the agency to get better returns from the advertisements. If the client insists on using the media preferred by client, the agency does not take responsibility for less profit.

Emerging media and media facing decline.

According to the representative from this agency, the Internet is the only emerging medium in the Indian advertising industry because all other media are established. The radio medium is one that was sometimes used less compared to other media because of pricing constraints.

Agency structure and workflow in the agency.

The different departments in this agency are account services, creative department, media department, and marketing research department. Different positions in the agency include accountants, account managers, art directors, artists, web developers, animators, media executives, media managers, event managers, and artists. Printing is outsourced. The production of the TV advertisement is done in the in-house digital studio.

Corel Draw and Adobe Photoshop are used the most. Adobe Illustrator and Adobe InDesign are just getting introduced in the agency for creative use. There is no software for workflow or digital asset management.

After meetings with a client, research is conducted about the media and then there is a briefing meeting to decide the media and budget. Copyrighters and designers for different media decide a theme for the advertising. After the final production, advertisements are distributed with the approval of the client.

Agency 2

Media types.

Agency 2 is the agency that works for the local brands and products. The use of satellite TV and broadcast TV is less compared to print media. FM radio is used for advertising. This agency does not use Internet radio for advertising. Websites, however, are used.

Social media is not used for marketing, but the agency suggests to clients the use of social media. Only Facebook is used. Search Engine Marketing is not used for advertising.

The Printed newspapers, magazines, and direct mail are heavily used by this agency. Push messages are used for mobile advertising. Event marketing is done for promotion, and coupons are used for advertising with the newspapers.

Factors considered while selecting media.

The audience is the most important factor that is considered while selecting a medium. Cost is the second most important factor. Information to be disseminated is the third most important factor, and type of product for which an advertisement is to be planned is the fourth important factor for media selection. The client's preference is the least important factor while selecting media. A client's suggestions are considered, but emphasis is given on convincing a client to follow the media planning suggested by the agency. Other factors considered with media selection are geographic segmentation and season of the year.

Emerging media and media facing decline.

According to the representative from this agency, electronic media is emerging in the Indian advertising industry. Use of Internet and mobile are increasing by the young and educated population, but use of traditional media is not reduced because of the major rural population of India. According to the representative from this agency, printed newspapers are facing decline, but the degree at which they are declining is much slower than the U.S. The representative mentioned also that the media and advertising industry changes rapidly, and thus there is no guarantee about the current established situation of the print media in India.

Agency structure and workflow.

The different departments in the agency are its marketing department, production department, event management department, and accounts department. Different positions in the agency are chairman, managing directors, media in-charge, marketing managers, production and design personnel, and account managers. TV advertisement production and printing is outsourced.

Corel Draw, Adobe Photoshop and Microsoft Office are used the most. Adobe Illustrator and Adobe InDesign are not known and therefore not used by this agency. There is no software for workflow management or digital asset management.

After the presentation, a discussion about the product and budget is carried out with a client. Depending upon the budget and product, media planning occurs. After the media planning the design of advertisements and production takes place and advertisements are distributed.

Agency 3

Media.

Satellite TV and cable TV are used by this agency for advertising. TV media buying is done using the data about channel reach and TVR (Television Viewer Ratings). Satellite radio is used for radio advertising. Radio advertising buying is based on the data about the channel share

and channel reach. This agency does not use Internet radio for advertising. Websites are used for advertising. Social media is used for advertising. Facebook, LinkedIn, and Twitter are used. Search engine marketing and search engine optimization is used. Internet media buying is done using the data about visits, unique visitors, and hits. Printed newspaper, magazines, and direct mails are used for advertising by this agency. Print media purchasing is done on the basis of readership and CPM. Event marketing and coupons are used for advertising. Also, the representative mentioned the use of outdoor advertising.

Factors considered while selecting media.

The audience is the most important factor that is considered by this agency while selecting a medium. The type of product is the second most important factor. Information to be disseminated is the third most important factor, and the client's preference is the fourth most important factor for media selection. Cost has given the fifth preference while selecting media. Media selection depends upon other factors such as geographic segmentation and season of the year.

Emerging media and media facing decline.

According to the representative from this agency, Internet and social media are emerging in the Indian advertising industry. Print media is facing decline when compared to other media. Also, radio has become stagnant in the India advertising industry.

Agency structure and workflow in the agency.

Different departments in the agency are account services/ account management, creative department, media department, and marketing research department. TV advertisement production and printing are outsourced.

Adobe InDesign and Adobe Photoshop are the software used most. There is no software for workflow management or digital asset management.

After the presentation, a discussion about the product and budget was carried out with client. Depending upon the budget and product, media planning is done. After the media planning, design of advertisements and production takes place and advertisements are distributed.

Agency 4

Media types.

The agency uses cable and satellite TV for advertising. The representative mentioned also the use of DTH (Direct to Home) TV for advertising. FM radio is used for advertising by this agency. This agency does not use Internet radio for advertising. TV media buying is done on the basis of program ratings (TRPs) and Television Audience Measurement (TAM).

Websites such as Yahoo, MSN and social media such as Facebook and LinkedIn are used for advertising. Search engine marketing is in its initial stage of use for advertising. Internet media buying is done using the data about hits and impressions.

Use of printed newspapers, magazines, vehicle wrappings, and direct mails is mentioned by the representative. Print media pricing depends upon the space and position of the advertisement and the readership data. Push messages are used for mobile advertising. Event marketing and coupons also are used as advertising media.

Factors considered while selecting media.

The audience is the most important factor that is considered while selecting a medium. Cost is the second most important factor. Information to be disseminated is the third most important factor, and type of product for which an advertisement is to be planned is the fourth most important factor for media selection. Client preference is the least important factor while selecting media. A client's suggestions are considered, and the media planning occurs. The other factors considered during media selection are geographic segmentation, time of day, and season of the year.

Emerging media and media facing decline.

According to the representative from this agency, Internet and mobile media are emerging in the Indian advertising industry. Also, the representative said that no media is facing decline.

Agency structure and workflow in the agency.

Different departments in the agency are the media planning department, media buying department, and content creation department. This is the media agency and thus the production is outsourced.

After discussions with the client, budget decisions are made and advertisements are outsourced for production.

Agency 5

Media.

Satellite TV and cable TV are used by this agency for advertising. TV media buying is done using data about channel reach and TVR (Television Viewer Ratings). Satellite radio is used for radio advertising. Radio advertising buying is based on the data about the channel share and channel reach. Internet radio is not used for advertising. Use of websites, social media, and search engine marketing is used less when compared to other traditional media types. Printed newspaper, magazines, and direct mail are used for advertising by this agency. Print media buying is done on the basis of readership and CPM. Event marketing and coupons are used for advertising. Also, the representative

mentioned the use of outdoor advertising. Advertising at malls and multiplexes is mentioned by the advertising agency. The representative also mentioned CSR (Corporate Social Responsibility) as a tool of advertising.

Factors considered while selecting media.

The representative mentioned that the factors depend upon the advertising agency itself (local agency or national advertising agency) and the type of client. The audience is the most important factor that is considered while selecting a media. Cost is the second most important factor. Information to be disseminated is the third most important factor and type of product for which an advertisement is to be planned is the fourth most important factor for media selection. A client's preference is the least important factor. A client's suggestions are considered, and the media planning occurs. The representative mentioned that this ranking is the general ranking and can change depending upon the clients.

Emerging media and media facing decline.

According to the representative from this agency, Internet, mobile, and social media are emerging in the Indian advertising industry. The representative mentioned that no media is facing decline in this industry.

Agency structure and workflow in the agency.

Different departments in the agency are creative department, copyright department, media department, production department, and the administrative department

The representative mentioned the use of Adobe InDesign and Adobe Photoshop software. It also was mentioned that software such as Quark Express is used in big advertising agencies in Mumbai and other big cities.

Along with the questionnaire the representative discussed different factors that are responsible for the current scenario of the media and advertising industry in India. He mentioned that there are so many local retailers in India. The mall culture is new. There are many local brands in different cities; thus the local advertising scenario is different in different cities. Local advertisers prefer advertising in the printed newspapers than on the new electronic media. The literacy rate is low in India in the rural area as well as in the cities to a certain extent. There are many official languages and mother tongues in India. The psychology, age of population, cultural differences, and sentiments are a few factors the representative mentioned behind the dominant use of print media in India.

Advertising agencies in the U.S.

Agency 1

Media.

Cable and satellite TV are used for advertising by this agency.

The representative mentioned also the use of some new media such as Google TV and spot cable TV. Broadcast radio and Internet radio are used for advertising. The representative also mentioned the use of network radio (national radio) and spot radio. The pricing of TV and radio advertisements depend upon cost per point, ratings, and time of the day.

The agency uses websites and social media for advertising.

Facebook and LinkedIn are used, but Twitter is not used for advertising. Search engine marketing is a major component for advertising. Internet pricing depends upon cost per click.

Direct mail, newspaper, magazine, and vehicle wraps are used for advertising. The use of print media depends upon local or national advertising. The pricing of print media depends upon the cost per thousand. Event marketing, coupons, and free-standing inserts are used for promotional advertising.

Out-of-home advertising was mentioned by the representative.

Electronic displays are used for advertising on railway stations and in airports. The representative also mentioned other media such as sidewalks and flash mobs.

Factors considered while selecting media.

The most important factor while selecting media for this agency is type of product. Audience is the second most important factor and cost is the third most important factor for deciding media. Information to be disseminated is given the fourth preference, while the client's preference is given last preference.

Emerging media and media facing decline.

Mobile and out-of-home media are the emerging media in the U.S. advertising industry, according to the representative. The use of printed newspapers is reducing significantly.

Agency structure and workflow in the agency.

The different departments in the agency are account services, creative department, marketing research department, media department, and administrative department. The production of advertisements for TV and print media are outsourced. Adobe Photoshop and Adobe InDesign are used. After meeting with the client and gathering information about the product and requirement, research is carried out about the demographics and media performance. After the research, a budget is distributed for different media, and creative, media, and PR duties are carried out. After the production of the advertisements, they are distributed.

Agency 2

Media.

Cable TV and satellite TV are used for advertising by this agency.

The representative also mentioned the use of Google TV. Broadcast radio and Internet radio are used for advertising. The representative mentioned also the use of Google radio. The pricing of TV and radio advertisements depends upon cost per point, ratings, and time of day.

The agency uses websites and social media for advertising. Facebook, LinkedIn, and Twitter, and search engine marketing is used also. Internet pricing depends upon cost per click.

Direct-mail, daily newspapers, weekly newspapers, magazines, vehicle wraps, and brochures are used for advertising. The pricing of print media depends upon the cost per thousand.

Mobile media is used for advertising in the form of text messages and sponsorship ads. Event marketing is considered as advertising media as well as a tool for PR. Different events such as a press release and press conference were. Coupons can be in the forms of newspaper inserts or can be distributed through websites such as coupons.com. Coupon machines can be situated in the stores, found on packages, or distributed for the next purchase. Other ways for promotional advertising can be tying a school name or educational institute name with some

product, registering the name to win some gifts, “like” a Facebook page, and offering donations to the charity.

The representative mentioned use of out-of-home advertising. Outdoor billboards and small posters on roads, expressways, bridges, in buses, and in airports are used for outdoor advertising. Banners in the parking lots, imprinted logos on beaches and sidewalks, and vehicle wraps are other ways of outdoor advertising.

Factors considered while selecting media.

The most important factor while selecting media for this agency is cost. The audience is the second most important factor and type of product is the third most important factor for deciding media. Information to be disseminated is given fourth preference, while the client’s preference is given last preference. The action to be taken by the customer about the product buying depends upon the message to be spread using advertisements. The other factors can be historical performance of media, geography, and seasonality of the media.

Emerging media and media facing decline.

FIOS is the emerging TV medium. The growth of mobile is much slower in the last five years than anticipated according to the representative. Print media and radio are facing decline in the U.S. advertising industry. TV media has become stable and has shifted from broadcast to cable TV.

Agency structure and workflow in the agency.

The different departments in the agency are account services, administrative department, media department, and creative department. Editing is done in house. Different positions in the agency are directors, media executives, executive creative director, assistants, coordinators, specialists, designers, supervisors, and copywriters. Software Adobe Photoshop and Adobe InDesign are used.

Agency 3

Media.

Cable TV and satellite TV are used by this agency for local advertising more than national advertising. Broadcast radio and Internet radio are used for advertising. The pricing of TV and radio advertisements depend upon cost per point, ratings, and time of the day.

The agency uses websites for advertising. Banner advertisements, rich media advertisements, mobile, and Internet video are the types of Internet advertisements. The agency does not use social media for advertising because social media is used for public relations. Search engine marketing is another media for advertising. Internet pricing depends upon cost per click.

Newspapers and magazines are used for advertising. The pricing of print media depends upon the cost per thousand. Vehicle wraps are used for outdoor advertising. Event marketing is used for advertising.

Out-of-home advertising was mentioned by the representative. Outdoor billboards in buses and in airports and train stations are used also. Aerial banners are used for advertising. Guerilla marketing is used also as a promotional way of advertising.

Factors considered while selecting media.

The most important factor while selecting media for this agency is cost. Information to be disseminated is the second most important factor and type of product is the third most important factor for deciding media. The audience is given fourth preference, while a client's preference is given last preference. The action to be taken by the customer about product buying depends upon the message spread using advertisements. Other factors can be media index, time of day, purchase cycles, mindsets, and attitude of demographics.

Emerging media and media facing decline.

Mobile advertising, tablet advertising, and digital advertising are emerging in the U.S. advertising industry. Print media and radio are facing decline. Terrestrial radio use is decreasing because of the use of Internet radio.

Agency structure and workflow in the agency.

The different departments in the agency are account services, creative department, media department, research department, and promotion department. Print and digital production of advertisements is

outsourced. Adobe Photoshop and Adobe InDesign are software used. Other media research software suites such as Media Bank, IMS, and Nielson are used. The workflow followed in the agency is a creative brief that is followed by media component research. After media research, media planning occurs and a plan is presented to the client. After the client's approval, media buying occurs and the creative and production of the advertisements is carried out.

Agency 4

Media.

Cable TV and satellite TV are used for advertising by this agency. According to the representative, satellite TV advertising is better on a local level than on a national level. Broadcast radio and Internet radio (such as Pandora) is used for advertising. The representative mentioned also the use of Google radio. The pricing of TV and radio advertisements depends upon cost per point, ratings, and time of the day.

The agency uses websites and social media for advertising. Facebook, LinkedIn, and Twitter are used for advertising. Search engine marketing (including Google and Bing) is one of the media for advertising. Internet pricing depends upon cost per click.

Direct mail, newspapers, magazines, and vehicle wraps are used for advertising. The pricing of print media depends upon the cost per thousand.

Mobile is used for advertising in the form of text messages. Promotional marketing is a separate division in the agency and uses event marketing and coupons.

Out-of-home advertising was mentioned. Highway billboards, posters in restaurants, signage, and advertisements on the gas stations are a few other advertising media.

Factors considered while selecting media.

The most important factor while selecting media for this agency is reaching the audience. Cost is the second most important factor and information to be disseminated is the third most important factor. Type of product is given fourth preference, while a client's preference is the last preference. The action to be taken by the customer about product buying depends upon the message spread through the advertisements. Other factors can be historical performance of media, geography, and seasonality of the media.

Emerging media and media facing decline.

Digital media is the emerging media in the U.S. advertising industry. It was mentioned that social media is emerging and growing in the U.S. Print media (especially printed newspaper) is facing decline. Also, due to devices such as iPods, Pandora, and Spotify, the use of traditional radio is decreasing in the U.S. advertising industry.

Agency structure and workflow in the agency.

The different departments in the agency are media department, creative department, interactive department, production department, account services, and public relations department. Adobe Photoshop, Adobe InDesign, and Quark Express are used for creative designing of the ads.

Agency 5

Media.

Cable TV and satellite TV are used for advertising by this agency. Also mentioned is the use of FIOS. Broadcast radio use is heavy, and Internet radio is used for selected clients. The pricing of TV and radio advertisements depend upon cost per point, ratings, and time of the day.

The use of Internet media is used heavily by the agency. Websites are used for advertising. Social media is in its infancy and the agency is working on efficiently using social media for advertising. Facebook, LinkedIn, and Twitter are used for advertising. Search engine marketing is a big component of media. Internet pricing depends upon cost per click.

Use of direct mail, newspapers, and magazines is decreasing. Print media is used for Business to business B2B clients. Vehicle wrapping is used for advertising. Promo bikes, bicycles, and taxis are

used for advertising. The pricing of print media depends upon the cost per thousand. Promotional advertising is not used in this agency.

Out-of-home advertising was mentioned by the representative. Billboards across the country, posters, and digital billboards are a few ways of advertising. Cinema advertising and airplane banners are the other ways of advertising.

Factors considered while selecting media.

The most important factor while selecting media for this agency is the target audience. Cost is the second most important factor and information to be disseminated is the third most important factor for deciding media. Type of product is given the fourth preference while client's preference is the last preference.

Emerging media and media facing decline.

Digital media and social media are the growing and emerging media types in the U.S. advertising industry. Another emerging medium is mobile apps. Print media is facing a major decline in the U.S.

Agency structure and workflow in the agency.

The different departments in the agency are media department, accounts department, workflow department, creative department, social media department, and digital media department. There are media directors, account supervisors, media planners, and media buyers. Also, there are different executives and managers in the workflow department

for trafficking. Adobe Photoshop, Adobe Illustrator, and Adobe InDesign are used. Also, media buying and planning software such as Strata is used for media decisions. This software helps to purchase TV and radio media, calculate the cost, build schedules, and give an estimate of the cost so that negotiation can occur. The research software is also used for media research.